JOHN M. KIM (Bar No.188997) FILED IP LEGAL ADVISORS, P.C. ∥600 West Broadway, Suite 1520 San Diego, CA 92101 06 OCT 25 PM 2: 08. 3 Tel: (619) 515-1489 CLEPK, U.S. DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA Fax: (619) 515-1481 4 DONALD TREMBLAY (Bar No.83109) DEPUTY 5 LAW OFFICES OF DONALD TREMBLAY 12651 High Bluff Drive, Suite 300 San Diego, California 92120 Tel: (858) 792-7492 7 Fax: (858) 792-7768 8 Attorneys for Plaintiff 9 CALIFORNIA BOARD SPORTS, INC. 10 UNITED STATES DISTRICT COURT 11 SOUTHERN DISTRICT OF CALIFORNIA 12 '06CV 2365 IEG CALIFORNIA BOARD SPORTS, INC., 13 a California Corporation, COMPLAINT FOR DECLARATION OF 14 Plaintiff, NON-INFRINGEMENT-OF-TRADEMARK AND DECLARATION OF NON-DILUTION 15 OF TRADEMARK v. 16 VANS, INC., Delaware а Corporation, 17 Defendant. 18 Plaintiff California Board Sports, Inc. ("CBSI") 19 complains of defendant and alleges as follows: 20 Introduction 21 In 1994, several well known figures in the 22 skateboarding industry formed California Board Sports, Inc. and 23 launched the brand "Osiris." The "Osiris" and "Osiris design" 24 marks have since grown tremendously in popularity and are used on 25 several types of casual shoes, accessories and apparel sold 26 throughout the world. CBSI uses several different designs and 27



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patterns on its shoes to decorate and embellish the shoes,

including various generic black and white checkerboard patterns. Such checkerboard patterns serve no source identifying function and are used merely to make the shoes more aesthetically pleasing to consumers. CBSI's use of checkerboards and similar decorations is similar to the use of polka dots or argyle patterns by other shoe and apparel manufacturers.

- 2. Defendant Vans, Inc. ("Vans") is one of CBSI's main competitors in the field of casual shoes, accessories and apparel marketed to the skate and surf community. Vans owns several trademarks, including a trademark registration for a slip on shoe with a generic black and white checkerboard pattern over the entire front, tongue and heel of the shoe, which Vans refers to as the "Classic Slip-On." The registration that Vans has for its Classic Slip-On deck shoe covers the entire design of the shoe and does not confer rights to the generic pattern of a black and white checkerboard nor does it preclude third parties from using decorative checkerboards on shoes for design, descriptive or non-source identifying purposes.
- 3. Checkerboard patterns have been widely and commonly used on shoes and apparel for centuries. Checkerboard patterns are as common as polka dots and argyle patterns in the shoe and apparel industries and Vans was definitely not the first party to use checkerboards on shoes. Checkerboard patterns have been used on numerous types of shoes, accessories and apparel over the years and are almost always used in a decorative and non-source identifying manner. Such decorative uses include the checkerboard pattern emblazoned across the entire product or on a certain portion of the product to add a decorative accent. Vans

itself uses checkerboard patterns as decoration and ornamentation rather than as a source identifier on its shoes, accessories and apparel.

- 4. Nevertheless, Vans has demanded that CBSI cease its use of the checkerboard pattern on shoes, because Vans believes that CBSI's use of a generic checkerboard pattern on its shoe infringes Vans' trademark rights.
- 5. Similar to many other shoe manufacturers, CBSI uses the checkerboard pattern on its shoe in a decorative and ornamental manner to enhance the aesthetic quality of the shoe. CBSI does not use the checkerboard pattern in any manner that could remotely be considered source identifying. CBSI's Serve Black White Checkered shoe ("Checkered Shoe"), which is the shoe that Vans alleges infringes on its trademark rights, uses a generic black and white checkerboard pattern decoratively placed on the side and heel of the shoe. Neatly and discretely placed on the tongue of the shoe and a hang tag on the side of the shoe is CBSI's mark "Osiris." It is highly unlikely that an ordinary consumer would think that the use of a checkerboard pattern on the side and heel of CBSI's shoe would be anything more than a decorative element of the shoe.
- 6. Vans recently sent CBSI a letter demanding that CBSI cease and desist further sales of its Checkered Shoe and provide a full accounting of its revenues for such shoe. Vans has sent similar letters to its other competitors who are using checkerboard designs in a decorative and ornamental fashion. Therefore, Vans is improperly trying to monopolize a centuries old, frequently used, and generic black and white

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checkerboard pattern by threatening CBSI and third parties that they are infringing Vans' alleged trademark rights. CBSI has spent considerable sums to advertise its Checkered Shoe and has significant revenues resulting from the sales of its Checkered Shoe, none of which can be attributed to any confusion resulting from the use of a generic checkerboard pattern. As a result, CBSI respectfully requests a judicial determination of its rights under the laws of the United States and the State of California regarding its decorative and ornamental use of checkerboard patterns on shoes.

Jurisdiction and Venue

- 7. This action arises under the Trademark Act of 1946, 15 USC §§ 1051 et seq.; and the Declaratory Judgment Act, 28 USC § 2201 (a). Accordingly, this Court has subject matter jurisdiction pursuant to 28 USC §§ 1331 and 1338 (a).
- 8. This Court has personal jurisdiction over defendant Vans because Vans sells shoes, accessories and apparel within this judicial district and it has therefore availed itself of the laws of this district.
- 9. Venue lies in this district pursuant to 28 USC § 1391 (b), because a substantial part of the events giving rise to CBSI's claims occurred within this district, including sales of CBSI's Checkered Shoe, which Vans alleges infringes its trademark rights, and sales of many varieties of Vans' shoes which incorporate a checkerboard design. Vans claims trademark rights in the generic checkerboard design in this judicial district as a result of sales of shoes bearing such design.

<u>Parties</u>

10. Plaintiff CBSI is a corporation organized and existing under the laws of the State of California, with its principal place of business in San Diego, California.

11. CBSI is informed and believes that defendant Vans is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Santa Fe Springs, California.

Factual Background

12. CBSI sells a wide array of casual shoes, accessories and apparel that incorporate CBSI's "Osiris" trademark, "Osiris design" trademark, or other highly distinctive and recognizable trademarks and logos, to identify CBSI as the products' source. The "Osiris" and "Osiris design" marks are displayed below:





13. CBSI also employs various ornamental design elements - which have no source identifying function whatsoever - to decorate its shoes. For example, CBSI has used a checkerboard design on its Checkered Shoe:



14. Vans has long been one of CBSI's main competitors in the market for casual shoes worldwide. One of Vans' alleged trademarks is a checkerboard design, which was originally used in a slip on deck shoe with the checkerboard design emblazoned across the entire front, tongue and heel of the shoe, as found in Vans' Registration No. 1,583,727 ("Checkerboard Registration"):



variation of the checkerboard pattern found in its Checkerboard Registration. The checkerboard pattern is applied to shoes in an even pattern emblazoned across most of the shoe or part of the shoe in a decorative and ornamental manner, not neatly or discretely in a manner that would be perceived by the consuming public as a source identifier. By virtue of such use, Vans also claims exclusive trademark rights to such varied uses of the design of a checkerboard on shoes ("Common Law Checkerboard



Marks"), which include the following shoes:



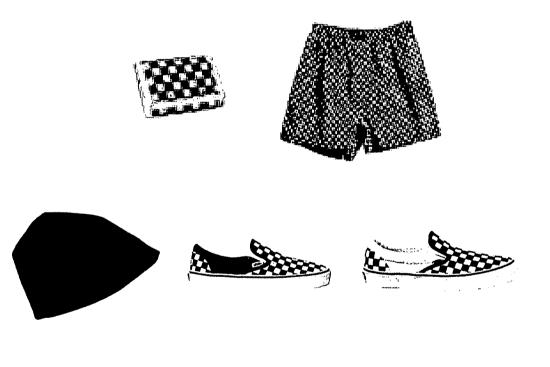
through its counsel to Mr. Jay Wilson, President of CBSI, demanding that CBSI cease selling its Checkered Shoe and any other shoe incorporating a checkerboard pattern and also demanding a full accounting of sales from such shoes. Vans has sent similar letters to competitors who use checkerboard patterns on their casual shoes and has threatened lawsuits in the United States against CBSI and other competitors allegedly to enforce its rights in its Checkerboard Registration and Common Law Checkerboard Marks (collectively the "Vans Checkerboard Designs"). However, upon information and belief, no U.S. court has rendered a decision on the merits in favor of Vans that shoes bearing a checkerboard pattern infringe or dilute Vans alleged trademark rights in its Checkerboard Designs.

persons and entities have employed checkerboard patterns decoratively and ornamentally on shoes, accessories, and apparel for centuries. Checkerboard decorations are frequently used descriptively on various types of shoes, accessories and apparel with no source identification purpose, but merely to add an aesthetically pleasing decorative or ornamental design to the products.

18. Vans' alleged marks (the Common Law Checkerboard Marks and the Vans Registration) lack inherent distinctiveness, as they are comprised merely of the longstanding and commonplace design element of the checkerboard, which has historically adorned the shoes, accessories, and apparel of many manufacturers. Although the Vans Registration of a specific

checkerboard pattern for a particular slip on deck shoe may entitle it to some limited degree of trademark protection for the entire design of the shoe, this protection must be carefully tailored so as not to unduly narrow the public domain or to deprive others of the right to continue the centuries-old practice of using checkerboard designs ornamentally and/or descriptively on shoes, accessories and apparel.

19. Indeed, Vans itself uses ornamental checkerboard designs on its shoes, accessories and apparel in a decorative and/or descriptive manner emblazoned across the entire surface of the shoes, accessories and apparel, as shown below:



20. In other cases, Vans uses checkerboard patterns more sparingly on certain shoes, but nonetheless in a decorative and/or descriptive manner to make the shoes more

aesthetically pleasing. The checkerboard patterns are not neatly and discretely placed on a certain area of the shoe, as would be the case with a design mark that is recognized as a source identifier (i.e. Nike Swoosh). Instead, the checkerboard patterns are haphazardly placed on the heel, toebed, tongue and side of the shoe in a random manner that serves no source identifying purpose. This haphazard and decorative use of the various checkerboard patterns indicates that the pattern does not serve as a trademark, but instead serves merely to decorate and embellish the shoes. (See examples of Common Law Checkerboard Marks, infra, P. 6, Lines 12 to 28).

21. Thus, Vans has itself blurred the line between its alleged proprietary use of checkerboard patterns to indicate origin, and the commonplace decorative and/or descriptive use of checkerboard patterns to decoratively adorn shoes, accessories, and apparel, to which all competitors are entitled. Vans should not be permitted to narrow or preclude the longstanding and commonplace use of checkerboard patterns on shoes, accessories, and apparel to its own commercial advantage.

FIRST CLAIM FOR RELIEF

(Declaration of Non-Infringement of Trademark-28 USC § 2201)

(Against Defendant)

- 22. CBSI incorporates herein by reference each and every allegation contained in paragraphs 1 through 21 above, as though set forth at length.
- 23. By virtue of Vans' cease and desist letter to CBSI dated September 29, 2006, an actual controversy has arisen and exists between CBSI and Vans with respect to whether CBSI has

infringed and is infringing Vans' alleged trademark rights in the Vans Checkerboard Designs.

24. In fact, CBSI has not infringed and is not infringing, directly or indirectly, contributory, by inducement or otherwise, the Vans Checkerboard Designs. Among other things, CBSI's use of a checkerboard pattern on its shoes is not likely to cause consumer confusion, because Vans does not have the exclusive right to use the checkerboard pattern on shoes, accessories and apparel. Vans does not use the Vans Checkerboard Designs in a non-decorative, source identifying manner. Its use of the Vans Checkerboard Designs is purely ornamental and decorative and Vans cannot take a common design element which has been in the public domain for centuries and suddenly claim exclusive rights to such design through purely ornamental use. If this were allowed, then polka dots would be the next design element to be monopolized by Vans, as it also sells a slip-on shoe with polka dots.

25. Even assuming arguendo that Vans has the right to a certain limited checkerboard pattern for shoes (such as the pattern found on its Checkerboard Registration), CBSI's Checkered Shoe is not likely to cause consumer confusion, because the shoe depicted in the Checkerboard Registration bears absolutely no resemblance to CBSI's Checkered Shoe. Vans' shoe is a slip-on deck shoe with no laces and CBSI's Checkered Shoe is a bulkier lace-up skate shoe that is primarily black and only uses checkerboard patterns as a decorative accent. The following is a comparison of the respective shoes:



Therefore, the shoes, when viewed in their entireties, are completely visually distinct. Also, CBSI and Vans use their respective marks ("Osiris" and "Vans") on their shoes. CBSI uses "Osiris" on the tongue of the shoe and Vans uses a red raised "Vans off the wall" logo on the heel of the shoe. CBSI also uses "Osiris" and Vans uses "Vans" on a hang tag attached to the sides of their respective shoes. The only similarity shared by the shoes is that they each use a black and white checkerboard pattern in a decorative and purely ornamental manner. However, it is highly unlikely that an ordinary consumer would confuse such highly different shoes which are clearly branded with the respective Osiris and Vans trademarks merely because they both incorporate a generic checkerboard pattern as decoration.

26. Even if there were a likelihood of confusion between CBSI's use of the checkerboard pattern on shoes and the Vans Checkerboard Designs, CBSI could not be held liable for trademark infringement because CBSI's use of such checkerboard patterns on shoes is strictly decorative and would qualify as a "fair use." Such checkerboard patterns serve no source identification function and are merely used decoratively and ornamentally for the lawful purpose of making the shoes more aesthetically pleasing. CBSI has done nothing to suggest sponsorship or endorsement by Vans of its shoes.

determination of the rights and duties of the parties under the laws of the United States (including but not limited to 15 USC §§ 1114 and 1125 9a)), the laws of the State of California (including but not limited to California Business & Professions Code § 17200, et seq.) and the common law with respect to the use of the checkerboard pattern on shoes, and a declaratory judgment that CBSI's use of its current checkerboard pattern for the Checkered Shoe or any checkerboard pattern does not infringe, directly or contributory, any valid and protectable design mark held by Vans.

28. Vans' continued attempts to broaden its trademark rights beyond its specifically registered marks, among other things, entitle CBSI to recover its attorneys' fees under 15 USC § 1117(a).

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SECOND CLAIM FOR RELIEF

(Declaration of Non-Dilution of Trademark-28 USC § 2201)

(Against Defendant)

- 29. CBSI incorporates herein by reference each and every allegation contained in paragraphs 1 through 28, above, as though set forth at length.
- 30. Vans has made arguments in its September 29, 2006 cease and desist letter that it has been using its Checkerboard Registration on shoes for almost 25 years and that sales of shoes bearing the Vans Checkerboard Designs are "substantial." As a result, it is anticipated that in any complaint for trademark infringement, Vans will undoubtedly claim that its Vans Checkerboard Designs are well known and famous and that CBSI's sales of shoes bearing any checkerboard design serves to dilute its famous marks.
- 31. CBSI, however, has not diluted and is not diluting, directly or indirectly, contributory, by inducement or otherwise, the Vans Checkerboard Designs.
- 32. Accordingly, CBSI requires a judicial determination of the rights and duties of the parties under the trademark laws of the United States (including but not limited to 15 USC § 1125), the laws of the State of California (including but not limited to the California Anti-Dilution statute, California Business & Professions Code §14330), and the common law with respect to the use of the checkerboard pattern on shoes, and a declaratory judgment that its current checkerboard pattern for the Checkered Shoe or any checkerboard pattern does not

1 dilute, directly, or contributorily, any valid and protectable 2 design mark held by Vans. 3 33. Vans' continued attempts to broaden its trademark rights beyond its specifically registered marks, among 4 5 other things, entitle CBSI to recover its attorneys' fees under 15 USC § 1117 (a). 6 WHEREFORE, CBSI demands judgment: 7 That the Court issue a declaration that 8 9 CBSI's use of its checkerboard pattern on the Checkered Shoe or 10 any decorative use of a checkerboard pattern on shoes, 11 accessories and apparel does not infringe, directly or 12 contributorily, any valid and protectable design mark held by 13 Vans under the laws of the United States, the laws of the State 14 of California, or the common law; 15 2. That the Court issue a declaration that CBSI's use of the decorative checkerboard design on shoes, 16 17 accessories and apparel does not dilute, directly or contributorily, any valid and protectable design mark held by 18 19 Vans under the laws of the United States, the laws of the State 20 of California or the common law; 3. That the Court award CBSI its reasonable 21 22 attorneys' fees pursuant to 15 USC § 1117 (a): 23 4. That CBSI be awarded its costs of suit; and 24 ///// 25 ///// ///// 26

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That CBSI have such other and further relief as the Court deems just and proper. Dated: October 17, 2006 IP LEGAL ADVISORS, P.C. Attorneys for Plaintiff CALIFORNIA BOARD SPORTS, INC.

DEMAND FOR JURY TRIAL

Plaintiff CALIFORNIA BOARD SPORTS, INC. hereby demands a trial by jury.

Dated: October 17, 2006

IP LEGAL ADVISORS, P.C.

JOHN M. KIM

Actorneys for Plaintiff CALIFORNIA BOARD SPORTS, INC.

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(Rev. 07/89) The JS-44 civil cover sheet and rules of court. This form, approsheet. (SEE INSTRUCTIONS)	ved by the Judicial Conference of	neither replace nor sup of the United States in S	pplement	the filing and service of pleading 1974, is required for the use of	the Clerk of Court for the purpo	se of initiating the civil docket		
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110 Insurance	PERSONAL INJURY	PERSONAL INJU	JRY	610 Agriculture	422 Appeal 28 USC 158	400 State Reappointment		
120 Marine	310 Airplane	☐ 362 Personal Injury- Medical Malpractice		620 Other Food & Drug	423 Withdrawal 28 USC 157 PROPERTY RIGHTS	☐ 410 Antitrust ☐ 1		
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Loans (Excl. Veterans)	Liability 370 Other Fraud			690 Other LABOR	862 Black Lung (923)	☐ 850 Securities/Commodities Exchange		
☐ 153Recovery of Overpayment of Veterans Benefits	350 Motor Vehicle 355 Motor Vehicle Product	☐ 371 Truth in Lending ☐ 380 Other Personal		710Fair Labor Standards Act	863 DIWC/DIWW (405(g)) 864 SSID Title XVI	875 Customer Challenge 12 USC		
160 Stockholders Suits	Liability	Property Damage		720 Labor/Mgmt. Relations	865 RSL (405(g))	891 Agricultural Acts		
☐ 190 Other Contract	360 Other Personal Injury	☐ 385 Property Damage		730 Labor/Mgmt. Reporting &	FEDERAL TAX SUITS	892 Economic Stabilization Act		
195 Contract Product Liability		Product Liability		Disclosure Act	870 Taxes (U.S. Plaintiff or Defendant)	893 Environmental Matters		
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245 Tort Product Liability	440 Other Civil Rights	540 Mandamus & Other	· ·	}		890 Other Statutory Actions		
290 All Other Real Property		550 Civil Rights						

VI. ORIGIN (PLACE AN X IN ONE BOX ONLY)

10/25/06

1 Original Proceeding	☐2·Removal from State Court	☐ 3 Remanded from Appe Court	elate	☐5 Transferred from another district (specify)	□6 Multidistrict Litigation	☐7 Appeal to District Judge from Magistrate Judgment
VII. REQUESTED IN COMPLAINT:		CK IF THIS IS A CLASS AC	'TION	mand s oftnon-infri	Check YES ngement JURY DE	only if demanded in complaint: 147 D: ☑ YES ☐NO
VIII. RELATED CASE	(S) IF ANY (See Inst	ructions); JUDGE			Docket Nur	2005

SIGNATURE OF ATTORNEY OF RECORD

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UNITED STATES
DISTRICT COURT
Southern District of California
San Diego Division

130998 - A1 October 25, 2006

Code Case # Oty Amount

CV886900 3-06-CV-2365 60.00 CH Judge - GDNZALEZ

CV086408 100.00 CH CV518000 190.00 CH

Total-> 350.00

FROM: CIVIL FILING
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INC BC# 1811 SH